

HB

3911

COMMITTEE REPORT

4/10/75

HOUSE

Mr. Speaker:

Date 5/19/75

The Committee on JUDICIARY has had HB 391

under consideration. A Majority of the members of the Committee

- () recommends it DO PASS
- () recommends it DO NOT PASS
- () recommends it DO PASS WITH ATTACHED AMENDMENT(S)
- recommends it BE REPLACED WITH CS FOR HB 391 AND THAT
CS FOR HB 391 DO PASS
- () "and" recommends it BE REFERRED TO THE _____
COMMITTEE
- () reports it back WITHOUT RECOMMENDATION
- () "other"

Members signing the Majority report:

Jerry Hardins _____

[Signature] _____

[Signature] _____

[Signature] _____

Members NOT concurring in the Majority report:

[Signature] recommends: no rec

[Signature] recommends: _____

_____ recommends: _____

_____ recommends: _____

_____ recommends: _____

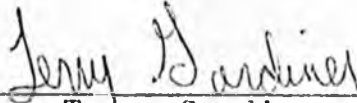
Jerry Hardins Chairman

HOUSE JOURNAL

May 19, 1975

House Judiciary Committee
Statement of Intent
HB 391 Disclosure of contractors names and terms

The Judiciary Committee substituted the Legislative Budget and Audit Committee for the Department of Administration as the agency responsible for preparing the survey of public contracts, as the Budget and Audit Committee is better equipped to perform what is essentially an audit function. The report should be generally available to members of the public. It is anticipated that the summary will be distributed to members of the Legislature and several copies will be available in library reference files. Personal copies for private citizens should be sold at cost to the state.



Terry Gardiner
Chairman
House Judiciary

MEMORANDUM

State of Alaska DIVISION OF LEGISLATIVE AUDIT

TO: The Honorable Thelma Bucholdt
Alaska State Representative

DATE: May 7, 1975

FILE NO:

TELEPHONE NO:

FROM: James Walker

SUBJECT: House Bill 391

Attached to this memo is a computer generated report that lists all of the contractors who have received payments of \$1,000 or more from the State of Alaska during the period July 1, 1974 to December 31, 1974. This report includes the number of payments, the total amount of the payments, and the vendor name and address. This information is available by specific agency as well as for the entire state. The source of this information is the monthly PBA transaction files and a vendor master file. These are computerized files maintained by the Department of Administration.

With respect to implementing House Bill 391, the following information is readily available in computerized form;

1. The names of contractors receiving or contracting to receive \$1,000 or more in State funds during a given period.
2. The principal places of business of the contractors.
3. The contracting State agency.
4. The amount of funds disbursed or encumbered to specific contractors.

Information as to the terms of the various contracts is not in a computerized form nor, as far as I know, are these documents maintained in a centralized location. Information regarding major stockholders would be very difficult to obtain given the large number of contractors.

I feel that the annual report proposed by House Bill 391 could be prepared at a reasonable cost utilizing available information and the State's computer system. There are, however, several procedures that would have to be established.

First, information as to the terms of each contract would have to be extracted and reported in a concise standardized format. This function would probably be performed by the contracting agency.

Second, this information would be transmitted to a central location where it would be converted to punched cards or any other machine readable medium.

Finally, utilizing document numbers, the computer could match information regarding the content of contracts with vendor data, encumbrance data, and expenditure data and print the desired report. The computer printed report could then be reproduced for distribution.

The one time cost to program the computer to prepare this report should not exceed \$10,000. Other associated costs would be difficult to estimate without knowing the specific number of contracts and contractors. A reasonable "guesstimate", however, is \$15,000 to \$20,000 per year including clerical time, Key punching, and computer time. This does not include, however, obtaining information as to major shareholders of contractors.

If I can be of further assistance, please feel free to contact me.

HB 391 Contractor Names

Representative Buchholdt, sponsor of the bill, stated that it was designed to learn how the state contracts with private, profit making corporations. She deemed it a "sunshine" bill, and stated that the date the report is requested by in the bill may be too early.

The administration testified that this bill asks for information that the Department of Administration does not have (per vendor per year, subcontractors). He estimated that the state signs approximately 7,000 contracts per year that are not purchase orders. The Department would require lead time of at least a year to prepare to comply with the requests in the bill.

The committee discussed whether the terms of the contract required in the report were too much to ask and whether the contract number would be sufficient. Rep. Buchholdt stated that she wanted to know the nature of the services or goods to be provided. The committee decided that the bill needed more work.

House Judiciary Committee
May 16, 1975

The meeting was called to order at 3:30 by Chairman Gardiner.
All members were present.

HB 105 Hold Harmless

This bill eliminates a present abuse whereby large companies hold their subcontractors responsible for the larger company's negligence in contractual agreements. The Commerce CS eliminated the retroactive date.

page 1, line 26: add the language any agreement that is not principally or primarily a contract of indemnity or insurance.

page 2, line 7: change mortgage to mortgages

page 2, line 8: and financing statements. delete and insurance.

delete page 1, lines 23 and 24 (b)

delete page 2, lines 9 and 10.

The above amendments passed and the Judiciary CS for HB 105 was moved out of committee.

SB 113 Health Care information

The prepared Judiciary CS was reviewed and reported out of committee.

SB 158 Larceny

This bill reflects an increase in the dollar amount between misdemeanors and felonies to keep up with inflation. The bill was passed out of committee.

HB 391 Contractor's names

The committee agreed to ask for a summary of terms of the contract instead of "terms". On line 12 "at least annually" was deleted and replaced with "before October 1." and that the reports would commence in 1975.

Page 1, line 25 add "vendors"

The committee requested a letter of intent stating that the cost of printing and distribution should be kept to a minimum with copies available for public inspection, possibly in public libraries.

The bill was passed out of committee as a Judiciary CS.

HB 459 Fathers leave

Susan Sullivan, sponsor of the bill, stated that she intended that new fathers should have the same rights as new mothers. She expected that most people would take about two weeks only. The proposed Judiciary CS stated that this leave could be charged to medical only. She objected first because some offices might interpret this to disallow even annual leave. She suggested that medical leave be used first. She also raised the question of adoptive parents.